

## Message Text

CONFIDENTIAL

PAGE 01 STOCKH 04354 080849Z

20

ACTION SCI-06

INFO OCT-01 EUR-25 IO-14 ISO-00 ACDA-19 CIAE-00 INR-10

L-03 NSAE-00 NSC-10 RSC-01 SCEM-02 DODE-00 PA-04

USIA-15 PRS-01 SPC-03 PM-07 EB-11 CEQ-02 EPA-04 DRC-01

/139 W

----- 073919

R 071519Z DEC 73

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC 1109

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS UNN

AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY MADRID

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AEC GERMANTOWN

USMISSION IAEA VIENNA

C O N F I D E N T I A L STOCKHOLM 4354

E.O. 11652: N/A

TAGS: TECH, TGEN

SUBJECT: SWEDISH VIEWS ON URANIUM ENRICHMENT

REF: STOCKHOLM 4259

SUMMARY: SWEDISH POLICY ON PARTICIPATION IN THE EURODIF PROJECT  
REMAINS UNDECIDED. IVARSBODA, SWEDEN, WILL NOT BE THE LOCATION  
FOR A NEW GASEOUS DIFFUSION PLANT. THE SWEDES WILL PROBABLY PAR-  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STOCKH 04354 080849Z

TICIPATE IN THE CONSTRUCTION OF A EURODIF GASEOUS DIFFUSION PLANT

ELSEWHERE IN EUROPE? HOWEVER, THEIR LEVEL OF CONTRIBUTION TO EURODIF HAS NOT YET BEEN ESTABLISHED. THEY ENJOY GOOD RELATIONSHIP WITH THE USAEC, APPRECIATE THE RELIABILITY OF SUPPLY REGARD THE PRICE OF ENRICHED URANIUM AS FAVORABLE, AND UNDERSTAND AEC'S NEED FOR LONG TERM CONTRACTS. NEVERTHELESS SWEDEN FAVORS THE DEVELOPMENT OF ALTERNATE SOURCES OF ENRICHED URANIUM TO REDUCE DEPENDENCE ON THE U.S., FOSTER A EUROPEAN CAPABILITY, AND TAKE ADVANTAGE OF COMPETITIVE MARKETS. THE ARAB OIL EMBARGO, THE RECENT FAILURE OF A TURBINE IN THE OSKARSHAMN I REACTOR PLANT (REQUIRING A SHUTDOWN OF THREE WEEKS DURATION) BRING THE WHOLE ENERGY PROBLEM FORCIBLY TO THE ATTENTION OF THE PUBLIC, RIKSDAG AND GOVERNMENT POLICY MAKERS. END SUMMARY.

1. SWEDISH OFFICIALS STATE THAT IVARSBODA WAS NEVER SERIOUSLY CONSIDERED AS THE LOCATION OF A EURODIF GASEOUS DIFFUSION PLANT. ALTHOUGH THE SWEDISH ELECTRIC GRID WOULD FAVOR IVARSBODA AS A LOCATION, THE SWEDES REJECTED THE IDEA PRIMARILY ON THE BASIS OF HIGH COSTS AND BECAUSE THEY BELIEVE THE FRENCH WANT THE PLANT LOCATED IN FRANCE. ENVIRONMENT AND SWEDISH NEUTRALITY WERE ALSO FACTORS IN SWEDISH DECISION.

2. SWEDEN HAS PARTICIPATED IN EUROPEAN NUCLEAR STUDIES, INCLUDING BOTH EURODIF AND URENCO, AND IS A MEMBER OF EURODIF GROUP. THE SWEDES WILL PROBABLY CONTRIBUTE TO THE CONSTRUCTION OF A EURODIF GASEOUS DIFFUSION PLANT, BUT THE LEVEL OF THAT CONTRIBUTION HAS NOT BEEN DECIDED. ACCORDING TO THE MINISTRY OF INDUSTRY FINANCIAL SUPPORT MUST COME FROM GOVERNMENT SOURCES; FUNDS ARE NOT AVAILABLE FROM PRIVATE SOURCES IN THE AMOUNTS THAT WOULD BE NEEDED FOR THAT PURPOSE.

3. THE SWEDES STATE THAT THEY HAVE ENJOYED EXCELLENT RELATIONSHIPS WITH THE USAEC OVER THE YEARS, DEPEND ON THE U.S. FOR ENRICHED URANIUM FOR THEIR REACTORS, THROUGH 1996, APPRECIATE THE RELIABILITY OF US SUPPLIERS, THINK THE PRICE IS REASONABLE, AND EXPECT TO CONTINUE TO RELY ON THE U.S. HOWEVER, THERE ARE TWO SWEDISH SCHOOLS OF THOUGHT: ONE GROUP BELIEVES THAT SWEDEN SHOULD REDUCE ITS DEPENDENCE ON THE U.S. AND ENCOURAGE COMPETITION THROUGH THE DEVELOPMENT OF ALTERNATE SOURCES OF ENRICHED URANIUM IN EUROPE. WESTINGHOUSE NOW HAS A CONTRACT TO SUPPLY

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STOCKH 04354 080849Z

HALF THE RAW URANIUM FOR EXISTING SWEDISH REACTORS FOR THE PERIOD 1975-1985; THE FRENCH HAVE A CONTRACT TO SUPPLY THE OTHER HALF. FURTHERMORE, THE SWEDES HAVE BEEN DISCUSSING THE POSSIBILITY OF AN AGREEMENT WITH THE SOVIETS TO OBTAIN ENRICHED URANIUM SERVICES FROM THE U.S.S.R. FOR NEW POWER REACTORS AFTER 1978. THERE IS CONSIDERABLE DOUBT THAT SUCH AN AGREEMENT CAN BE CONCLUDED EASILY. ANOTHER GROUP BELIEVES THAT SWEDEN SHOULD

RELY ON THE U.S. FOR ITS ENRICHED URANIUM SUPPLIES. THE LATTER GROUP ASSERT THAT SWEDEN IS THE ONLY EUROPEAN COUNTRY WHICH HAS REASONABLY ACCURATELY ESTIMATED ITS ENRICHED URANIUM REQUIREMENTS FOR THEIR NUCLEAR POWER PROGRAM. THESE REQUIREMENTS CAN BE MET BY THE U.S. SWEDEN WILL PROBABLY PURSUE A MIDDLE COURSE AND KEEP ALL OPTIONS OPEN.

4. SWEDISH FIRMS WANT TO CONTINUE THEIR ACTIVE PARTICIPATION IN NUCLEAR POWER FIELD AND TO PARTICIPATE IN ESTABLISHING AN ENRICHMENT CAPABILITY IN WESTERN EUROPE. THEY LOOK AT THE LATTER IN TERMS OF THEIR OWN FUTURE INTERESTS AND COULD BE INFLUENCED BY PRESSURES WITHIN THE FRAMEWORK OF SWEDEN/EC FREE-TRADE AGREEMENT. ON THE OTHER HAND THEY PRIZE VERY HIGHLY THEIR RELATIONSHIPS WITH U.S. NUCLEAR POWER FIRMS AND ARE SEEKING TO EXPAND THIS COOPERATION.

5. THE ARAB OIL SITUATION, THE REPORTS OF ENERGY CONSERVATION MEASURES IN OTHER COUNTRIES, THE DEPENDENCE OF SWEDEN ON EXTERNAL SOURCES OF ENERGY, AND THE RECENT FAILURE OF A TURBINE AT OSKARSHAMN I (WHICH SUPPLIED 3 PERCENT OF THE COUNTRY'S ELECTRIC POWER) ALL CONVERGE TO MAKE THE PUBLIC APPREHENSIVE AND ENCOURAGE GOVERNMENT POLICY MAKERS TO REASSESS THE ENERGY SITUATION. PARLIAMENT WILL DEBATE GENERAL ENERGY QUESTION DECEMBER 7, BUT DECISION ON PARTICIPATION IN EURODIF PLANT UNLIKELY UNTIL AFTER HOLIDAYS.

OLSEN

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** URANIUM, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** hilburpw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STOCKH04354  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** DG ALTERD  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STOCKHOLM  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731237/aaaabatq.tel  
**Line Count:** 143  
**Locator:** TEXT ON-LINE  
**Office:** ACTION SCI  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** STOCKHOLM 4259  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** hilburpw  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 29 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <29-Aug-2001 by martinml>; APPROVED <01-Oct-2001 by hilburpw>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SWEDISH VIEWS ON URANIUM ENRICHMENT  
**TAGS:** TECH, TGEN  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005